



Housing Authority of the City of Alameda

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MINUTES

REGULAR MEETING OF THE HOUSING COMMISSION OF THE CITY OF ALAMEDA HELD WEDNESDAY, JUNE 17, 2009

At 6:45 p.m. the Housing Commission recognized the accomplishments and the five years of service of Commissioner Nancy W. Gormley.

The Commission was called to order at 7:00 p.m. by Chair Kurrasch.

PLEDGE OF ALLEGIANCE

1. ROLL CALL

Present: Commissioner Balde, Gormley, Pratt, Schlueter, and Chair Kurrasch

Absent: None

2. CONSENT CALENDAR

Commissioner Schlueter requested a discussion of item 2A, it was pulled for discussion. Commissioner Gormley moved acceptance of the Consent Calendar. Commissioner Pratt seconded. Motion carried unanimously. All items accepted or adopted are indicated with an asterisk.

2-A. Minutes of the Housing Commission Regular Meeting held May 20, 2009. Commissioner Schlueter asked that the comment that the dog "was not vicious" be added in the sentence referring to her dog's evaluation. Executive Director Michael Pucci asked that the spelling of the speaker's name be corrected. Commissioner Pratt moved acceptance of the amended minutes as discussed above. Commissioner Gormley seconded. Motion carried unanimously.

*2-B. Budget Variance Report. This item was for information only.

*2-C. Write-off of Uncollectible Tenant Accounts Receivable. The Housing Commission approved writing off the attached tenant accounts receivable totaling \$11,568.26.

*2-D. Changing Voucher Term Extension Policy. The Housing Commission adopted a change to the Administrative Plan to impose limits, depending on the Housing Authority's utilization of its unit and funding allocation, to the automatic 30-day extension of the initial voucher term.

*2-E. Recommend Award of Contract for Relocation Services. The Housing Commission recommended the Board of Commissioners to:

1. Approve awarding a contract to Overland Pacific & Cutler, Inc. for relocation services for an amount not to exceed \$157,000; and to
2. Authorize the Executive Director to execute the contract.

*2-F. Award Contract to Provide Office Supplies. The Housing Commission recommended awarding a one-year contract with an amount not to exceed \$60,000 to Blaisdell's for the purchase of office supplies with the option for the Housing Authority to renew the contract for up to four additional one-year terms, pending approval by the Board of Commissioners.

*2-G. Revising Payment Standards for the Section 8 Housing Choice Voucher Program. The Housing Commission adopted the Success Rate Payment Standard for all unit sizes at 100% of the 50th percentile as described in this report effective July 2, 2009.

3. AGENDA

- 3-A. Quarterly Police Report. Mr. Pucci introduced a new Housing Authority police officer, Louisa Kuaea. Mr. Pucci introduced Officer Sapinosa to discuss the Quarterly Police Report. Officer Sapinosa added that Officer Kuaea grew up in Alameda, lived at Esperanza, and is familiar with the community. Officer Sapinosa stated little has changed since last year. There have been no violent crimes and, because of its size, Esperanza has the most reports. He stated most reports are minor issues, with majority being "other reports", which he described. Officer Sapinosa explained that when officers respond to the complexes not every issue is reported. He explained with ongoing, open communication with people the officers are able to resolve issues without a police report. He reported less activity with drugs and more vandalism and vehicle theft. He expects more disturbance calls, vandalism, and theft during the summer months while school is out.

Commissioner Pratt commented on this quarter being the lowest number of incidence during the past nine quarters.

Chair Kurrasch was pleased to see such good numbers. He welcomed Officer Kuaea.

This report was provided for information only.

- 3-B. Recommendation to Acquire Two Housing Complexes from the Filipino American Community Services Agency at 745 Lincoln Avenue and 1416 Sherman Street in Alameda. Mr. Pucci explained the Housing Authority has been managing these properties; a four-plex at 745 Lincoln Avenue since 1996 and a nine-unit complex at 1416 Sherman Street for the Filipino American Community Services Agency (FACSA) since 1993. The Housing Authority has a thorough knowledge of the properties, tenants, and units. FACSA, which is a non-profit, will be going out of business soon and these are their remaining assets. FACSA would like to sell the units to the Housing Authority for one dollar each and have the Housing Authority take over the existing debt. The existing debt is shown on the bottom of page 41; first mortgages with U.S. Bank and a HOME loan with the Alameda County Department of Housing and Community Development. U.S. Bank will not allow the loans to be assumed. The terms of a new loan with U.S. Bank are onerous. In January a loan was presented that seemed reasonable but in May they requested the loan be fully collateralized. Mr. Pucci explained the Housing Authority would have to deposit money into a CD which matches the amount of the loan. U.S. Bank would then loan the money back to the Housing Authority with a higher interest rate. The new Bank of Alameda proposed the same terms which would result in a 4 percent loan.

The City of Alameda was approached and agreed to a loan at 4 percent interest, but with conditions that didn't allow for flexibility. Mr. Pucci is not recommending the loan at this time, but recommends having the option for the loan with the City with the 55 year covenant. The second option is to proceed with the bank loans, and the third option is to loan the money to ourselves, the Housing Authority. Mr. Pucci discussed the Alameda County HOME loans. He would like the option to pay off this loan.

Commissioner Pratt asked about Federal sources. Mr. Pucci said staff did not research Federal sources because of the length of time to apply and the conditions.

Commissioner Pratt asked if financing needs to be secured quickly. Mr. Pucci said yes.

Commissioner Schlueter questioned U.S. Bank, HOME loans, and the appraisals. He did not understand U.S. Bank, Mr. Pucci concurred. Mr. Pucci stated they do not want the Housing Authority's business. Commissioner Schlueter asked if they are one of the troubled banks. Mr. Pucci responded no and described the efforts made to negotiate a new loan. Commissioner Schlueter asked if the Housing Authority has checking and savings accounts with U.S. Bank. Mr. Pucci responded yes, except for savings. Commissioner Schlueter asked about Alameda Bank, Mr. Pucci said their terms were not good. Commissioner Schlueter asked if both properties were producing revenue. Mr. Pucci responded yes. He confirmed the revenue could cover a 30 year fixed loan at a higher interest rate.

Chair Kurrasch said the action taken today would be a recommendation to the Board of Commissioners because of the amount of money involved. He recommending keeping recommendation one as it is. Mr. Pucci said the Alameda County HOME loan is ready to assume at 3 percent simple interest. Commissioner Schlueter suggesting reviewing the Housing Authority's relationship with U.S. Bank. He believes banks should be supportive to the community and explained his point of view.

Commissioner Pratt about deferred maintenance. Mr. Pucci said there is a small reserve and some money is needed to reinvest in the buildings to bring them up to Housing Authority standards.

There was a discussion about U.S. Bank and bank regulators.

Mr. Torrey mentioned the State taking funds from the City of Alameda.

Commissioner Schlueter moved the Housing Commission recommend to the Board of Commissioners to:

1. Approve the acquisition of 745 Lincoln Avenue and 1416 Sherman Street from the Filipino American Community Services Agency; and
2. Approve obtaining a loan from the City of Alameda's or the Community Improvement Commission's affordable housing in lieu fee fund or the tax increment 20% set aside in the amount of \$360,000 *no higher than* 4% interest with a term of five years amortized over 30 years; and
3. Authorize the Executive Director to execute the loan documents and close escrow for the acquisition of these two properties.

Commissioner Balde seconded. Motion carried unanimously.

Mr. Pucci introduced a new motion to include recommendation to add options to go to Alameda Bank, or the Alameda Housing Authority making a loan to itself to pay off the loan. Chair Kurrasch moved acceptance of this motion. Commissioner Balde seconded. Motion carried unanimously.

3-C. Reduction in Inclusionary Housing Unit Requirement from 25% to 15% for Redevelopment Areas. Mr. Pucci explained John Biggs from the Planning Department was scheduled to make a presentation but is out ill. Mr. Pucci asked for a recommendation to the City Council to approve rolling back the inclusionary affordable housing requirement in the redevelopment areas. It would be rolled back to 15% from 25%. The reason is that under State law City's are required to adopt a Density Bonus Ordinance. A Density Bonus Ordinance states that if creating affordable housing additional units can be requested over and above the density the local zoning ordinance allows. By having a requirement of 25% affordable it does not get more housing than it would if you had a Density Bonus and the 15%. Mr. Pucci believes this is a good idea. This item was tabled. This item will return to the July meeting so that it can go to the second City Council meeting in July. Commissioner Schlueter recommended the Housing Commission table this item until July and review the recommendation to roll back the affordable housing unit requirement in redevelopment areas from 25 percent to 15 percent and develop comments to be forwarded to the second City Council meeting in July. Commissioner Schlueter moved to table this motion until July 15, 2009. Motion carried unanimously.

3-D. Independence Plaza Pet Policy. Mr. Pucci explained this item was held over from the May meeting. At the meeting last month several tenants complained about the enforcement of the pet policy. Dogs are present on the second and third floors of buildings where dogs are not allowed as a result of a staff error allowing dogs on these floors. Other tenants were in favor of having dogs in Housing Authority buildings; however, staff was directed to return with a plan to deal with dogs not on the proper floors in buildings 705 and 707. Additionally, assisted living dogs requested by tenants for reasonable accommodation reside at Independence Plaza. Staff recommends amending the Pet Policy to allow the dogs currently residing on the

second and third floors of buildings 705 and 707 to remain in place. Additionally, to relocate tenants with dogs who do not have reasonable accommodation to the first floors of buildings 705 and 707 as vacancies become available. The number of vacancies this year was ten since July 1, 2008. The average turnover yearly is 20 to 25 vacancies in a building the size of Independence Plaza with 186 units. Turnover is very low with this year it is extremely low. Staff has been contacting tenants on the first floor to see if they are interested in moving and a few tenants may be interested in swapping units. Another vacancy is planning in July.

Ruth Brandt, Independence Plaza resident, was glad to see the amendment. She believes the dogs are harmless, provide pleasure, and are valuable to their owners.

Mercedes Bongolan, Independence Plaza resident, commented on Mr. Pucci's apologies and said mistakes need to be corrected.

Chair Kurrasch assured everyone that future screening will be more careful so these types of incidents will not reoccur. He commented on the additional supportive information provided in the report.

Commissioner Pratt stated Ms. Amy Cook, animal behaviorist, is a very qualified individual. She spent quite a bit of time with the dog in question.

Mr. Pucci reiterated that mistakes were made in allowing pet dogs on floors not allowed. He assured everyone that staff will refrain from allowing pet dogs on these floors in the future. Assistive animals, however, are allowed to be anywhere. A tenant that requested an assisted animal must fill out a form on the need for the animal and how the animal will assist them. The form is sent to their physician or social service provider who verifies if the animal is needed for that particular tenant for that particular reason. By law, the Housing Authority cannot refuse to allow that animal to live in that unit regardless of the floor. Regardless, the animal should not be a nuisance and the owner is responsible for cleaning up after the animal. Although the Housing Authority will no longer allow pets, except for the first floor of buildings 705 and 707, assisted animals may be allowed in other places of the complex.

Chair Kurrasch commented there may be more animals under "reasonable accommodation" in the future. He described a cruise where dogs were allowed on board as a reasonable accommodation.

Commissioner Schlueter questioned, with 186 units at Independence Plaza in five buildings, if there are a total of five dogs. Mr. Pucci replied yes. Mr. Schlueter said a service dog is outside of the Pet Policy because it is a service dog. He was surprised at the small number of dogs at Independence Plaza. Mr. Pucci agreed about the small number of dogs but they are not on the first floor in building 705 or 707. He went on to say there are potentially 24 units which can allow pet dogs.

Commissioner Schlueter believes this one issue is isolated and recommended a long-term policy solution to this issue. Commissioner Schlueter asked why dogs are only permitted on the first floor. Mr. Pucci explained so they are not in the elevators as some tenants are allergic to dog dander and it could cause problems.

Commissioner Schlueter requested the first floors on buildings 705 and 707 be dog/pet available units through attrition. Mr. Pucci said first floor units are also preferred by non-pet owners as well. It can be hard to convince a pet owner on the first floor to move from these preferred units. Commissioner Gormley added that some tenants are handicapped and need to be on the first floor. Commissioner Schlueter asked if it is discriminatory to reserve the first floor for dogs only. Mr. Pucci responded it is not discriminatory.

Chair Kurrasch asked Commissioner Schlueter if he wanted staff to return with a more comprehensive, long-term solution on the Pet Policy. Commissioner Schlueter responded affirmative as a recommendation aside from this item.

Commissioner Pratt moved that the Housing Commission:

1. Amend the pet policy to allow the dogs currently residing on the second and third floors of Building 705 and 707 to remain in place; and,
2. Relocate these tenants with dogs (without reasonable accommodations) to the first floors in Buildings 705 and 707 as vacancies become available.

Commissioner Balde seconded. Motion carried unanimously.

Chair Kurrasch stated that in complying with the Americans with Disabilities Act, reasonable accommodations must be made to anyone who qualifies. To get in compliance as soon as possible with the policy the Housing Authority will proceed.

4. ORAL COMMUNICATIONS

Mr. Torrey announced the City will be having activities at Crown Beach on June 27th and invited everyone to attend. He wished a number of people a Happy Father's Day.

5. COMMISSIONER COMMUNICATIONS

Commissioner Balde completed CERT training. She asked about an emergency preparedness workshop for residents. She thanked Mr. Pucci for the event at Eagle Village. Tenants expressed their interest in having the event next year, on a weekend, as a potluck. Mr. Pucci responded this was the first year the event was held at Eagle Village. He explained that Disaster Preparedness training will be held at Eagle and Rosefield Village on June 25th.

Commissioner Gormley thanked the Commissioner for her great experience as a Commissioner and for the recognition. Chair Kurrasch said she will be missed.

Chair Kurrasch was pleased to see the results of the new parking lot at Independence Plaza, it will be completed by June 30th. He welcomed the new police officer.

6. ADJOURNMENT

There being no further discussion, Chair Kurrasch adjourned the meeting at 7:55 p.m.

Arthur A. Kurrasch, Chair

Attest:

Michael T. Pucci
Executive Director / Secretary